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# RAPID ASSESSMENT OF IMPACTS OF COVID-19 ON THE RECRUITMENT OF INTERNATIONAL MIGRANT WORKERS IN ASIA

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## LIST OF ABBREVIATIONS & ACRONYMS

BAIRA Bangladesh Association of International Recruiting Agencies

CREST Corporate Responsibility in Eliminating Slavery and Trafficking

GCC Gulf Cooperation Council

Hong Kong SAR, China Hong Kong Special Administrative Region, China

IOM International Organization for Migration

IRIS International Recruitment Integrity System

NAFEA Nepal Association of Foreign Employment Agencies

POEA Philippine Overseas Employment Administration

USD United States Dollar

### **EXECUTIVE SUMMARY**

#### INTRODUCTION

COVID-19 has impacted the world on an unprecedented scale: it has caused a global economic slowdown, resulted in international travel bans and restrictions, and transformed the ways people socialize, work and maintain their health and well-being. As governments try to manage its spread and effect on economies, it is imperative that migrants regardless of their migratory status - are included in these efforts and recognized as a contributory stakeholder to national strategies addressing the pandemic and future crises.

The International Organization for Migration¹ (IOM) recognizes that international recruitment agencies can play a key role in supporting migrant workers adapt to crises such as COVID-19 and work collectively with governments, employers and other stakeholders to strengthen their protection abroad and uphold their human and labour rights. To realize these objectives, it is important to understand how the recruitment industry is responding to the emergency, highlight agency-driven solutions in the field as well as encountered barriers that impede labour recruiters from rendering adequate assistance and protection to migrant workers.

As the first COVID-19 multi-country rapid assessment with labour recruiters in the Asia region, the findings in this report provide a snapshot of the pandemic's initial impacts on the international labour recruitment industry in South, East and South-East Asia. As such, it focusses on the specific situation of labour recruiters with a view to the potential impact on the human rights of migrant workers. This qualitative survey was conducted by IOM in six countries and one special administrative region across Asia

(Bangladesh, Cambodia, Hong Kong Special Administrative Region, China (Hong Kong SAR, China), Nepal, the Philippines, Thailand and Viet Nam), with the participation of 19 recruitment agencies and three recruitment industry associations from 6-24 April, 2020.

The findings outlined in this report provide key stakeholders in the international recruitment arena - labour recruiters, employers and governments - with a more nuanced understanding of how the recruitment industry regionally has coped with the challenges created by the pandemic, and the role of labour recruiters in addressing and mitigating adverse impacts on jobseekers and migrant workers.

Importantly, the report provides an analysis of gaps and barriers in protection of migrant workers exposed by the pandemic, together with recommendations for key actors to better safeguard migrant workers in times of crisis. The findings will be used by IOM to further assist recruitment agencies at the national level to better mitigate migrant worker challenges during crises while implementing ethical recruitment practices. Through its existing partnerships under the CREST Initiative<sup>2</sup>, IOM will seek to support multinational companies and employers to cooperate with their partnering recruitment agencies to uphold the rights of migrant workers during and after crises.

As a snapshot study, it provides an initial foundation for further bodies of work to build the capacities of the regional recruitment industry and key stakeholders to better protect migrant workers from the ongoing aftershocks of COVID-19 and future crises. The report supplements existing surveys by IOM and other organizations, highlighting the specific vulnerabilities of migrant workers during COVID-19.

<sup>&</sup>lt;sup>1</sup>https://www.iom.int

<sup>&</sup>lt;sup>2</sup>https://crest.iom.int/

#### **FINDINGS**

The key findings are divided into four inter-related parts: 1) pandemic-induced challenges faced by recruitment agencies and 2) by migrant workers, 3) recruitment agencies' responses to these challenges and 4) an analysis of gaps and barriers impeding the protection of migrant workers.

The common business challenges recruitment agencies faced were delay or postponement of recruitment and deployment processes, cancellation and declines in job-orders and increased financial burdens on the recruitment agencies. As COVID-19 imperils the global economy with disruptions and reductions in business operations of employers, the imposition of strict restrictions on travel as well as health and safety measures, the demand for migrant workers and recruitment has become severely constrained. With their income severely hampered by the pandemic, recruitment agencies struggle to keep their businesses open, while providing support to migrant workers. This creates additional risks to deprive migrant workers from accessing necessary support services during and after the pandemic.

As such, recruitment agencies identified common challenges faced by migrant workers during every stage of the migration cycle: prospective migrant workers unable to complete recruitment processes and travel to countries of destination, migrant workers encountering COVID-19 restrictions starting employment even after arrival in the country of destination, during employment migrant workers face job and wage insecurity and changes in employment conditions along with difficulties returning to countries of origin and barriers to reintegration at communities of origin.

Recruitment agencies have attempted to **assist migrant workers in mitigating such challenges** through several means: active migrant worker monitoring and dissemination of information, negotiating with employers to protect migrant workers from COVID-19, to respect employment conditions and labour rights during the pandemic, and maintain migrant worker jobs and job orders for as long as possible. Extending direct support to migrant workers varies from COVID-19 personal protective equipment, quarantine accommodation, transportation and food.

Recruitment agency associations in countries of origin were reported to have an important role in coordinating support for recruitment agencies to protect migrant workers in conjunction with governments.

Exacerbating the challenges encountered by migrant workers and recruitment agencies, the following **key gaps and barriers in protection of migrant workers were identified:** 

- Recruitment agencies were not adequately prepared for a protracted global crisis. In general, agencies were found to not have adequate emergency plans and strategies to mitigate the impacts of the pandemic on their businesses and migrant workers, especially for prolonged periods. Agencies lack robust management systems to build resilience against crises, especially weak communication lines with migrant workers, employers and other business partners in destinations. This resulted in challenges monitoring migrant workers and extending needed support.
- Providing remediation for migrant workers in countries of destination was challenging for recruitment agencies due to skewed power dynamics along with weak communication with employers, despite observed indications of rights violations by the agencies.
- While the pandemic revealed a reliance on government directives to recruitment agencies as well as employers with respect to migrant worker protection, the support and guidance from governments to migrant workers and the recruitment industry could have been improved. Collaboration between governments in countries of destination and origin, private sector and civil society to develop inclusive and pro-active COVID-19 policies was largely absent. This impacted the potential for aligning assistance to migrant workers, such as coordinating complex logistical challenges (return and reintegration), and maintaining health protocols (quarantines, social distancing, medical assistance).

#### **RECOMMENDATIONS**

The report concludes with recommendations targeted at key stakeholders in migrant worker protection: recruitment agencies, employers and governments. As such, they speak to the need for both public and private sector stakeholders in international recruitment to maintain protection of and respect for human and labour rights during a crisis.

#### **Employers and recruiters**

For employers and recruiters, the report emphasizes IOM's existing recommendations for enhanced migrant worker protection during COVID-19 provided through the two following guidance documents:

IOM Guidance for labour recruiters to enhance migrant worker protection during the current health crisis<sup>3</sup>

The health, wellbeing and safety of jobseekers and migrant workers shall be a priority for labour recruiters during the COVID-19 health crisis. Labour recruiters must exercise their duty of care to respect human rights and meet the basic needs of migrant workers, especially women workers and disadvantaged groups.

IOM Guidance for employers and business to enhance migrant worker protection during the current health crisis<sup>4</sup>

All workers should be treated with equality, dignity and respect, irrespective of their gender and migration status. The health, well-being and safety of all employees, including migrant workers, shall always be a priority for employers, in particular during the COVID-19 health crisis. Businesses must exercise their duty of care to respect human rights and meet the basic needs of all employees, especially those related to health.

#### **Governments**

For governments, the below recommendations are based on the analysis of gaps in protection of migrant workers during the COVID-19 pandemic, good practices shared by recruitment agencies participating in this survey and recommendations from recruitment agencies themselves:

- a. DEFINE clearly legal responsibilities of recruitment agencies during and after the crisis in communication, returns, reintegration, and upskilling. Monitor recruitment agencies in meeting their legal responsibilities to care for migrant workers.
- COVENE COVID-19 multi-stakeholder feedback sessions to learn of good practices, challenges and opportunities in protection of migrant workers.
- MAINTAIN updated statistics on migrant workers and returnees to accord appropriate protections and support services.
- d. DEVELOP AND IMPLEMENT reintegration plans to accommodate mass returns and repatriations during COVID-19 in alignment with the UN framework for the immediate socio-economic response to COVID-195
- e. EVALUATE recruitment industry best practices for migrant worker protection and post pandemic monitoring for potential adoption in recruitment regulations.
- f. PREPARE a long-term action plan to implement a revised framework for labour migration governance after borders reopen and travel bans lift. Bilateral agreements are important to establish clear labour migration and recruitment processes during and after crises.

<sup>&</sup>lt;sup>3</sup> https://iris.iom.int/covid-19-crisis-response

<sup>4</sup> Ibid

<sup>&</sup>lt;sup>5</sup> https://unsdg.un.org/sites/default/files/2020-04/UN-framework-for-the-immediate-socio-economic-response-to-COVID-19.pdf

## **SECTION 1. INTRODUCTION**

#### **BACKGROUND**

As the world confronts COVID-19 and governments try to stop its spread, it is imperative that migrants - regardless of their migratory status - are included in these efforts and recognized as a contributory stakeholder to national strategies addressing the pandemic. While many of the estimated 164 million migrant workers globally6 are already vulnerable to labour exploitation, they now also face being hit hard by the pandemic's negative impacts on global communities, businesses and supply chains.

International recruitment agencies play a key role in the migration cycle of migrant workers. From recruitment to skills testing and training, employment and return, they have invariably a legal responsibility to uphold the human and

labour rights of migrant workers, including during times of crisis.

In light of the global economic shock induced by COVID-19, this survey aims to understand the impact of the pandemic on international labour recruiters in South, East and South-East Asia, and the role they play in addressing and mitigating adverse impacts on jobseekers and migrant workers. Its findings will allow key actors in the international recruitment arena – labour recruiters, employers and governments – to gain a deeper understanding of how the recruitment industry regionally has coped with the business shocks and challenges created by the pandemic and the role labour recruiters have played in addressing and mitigating adverse impacts on jobseekers and migrant workers.

#### **METHODOLOGY**

The survey was conducted by IOM in six countries and one special administrative region across Asia (Bangladesh, Cambodia, Hong Kong SAR China, Nepal, the Philippines, Thailand and Viet Nam), with the participation of 19 recruitment agencies and three recruitment industry associations. The selection of agencies and associations was purposive and based on prior engagement with IOM and interest to participate.

The main method employed was semi-structured interviews following an interview guide with open-ended questions. Interviews were conducted in local languages through online and telecommunications modalities from 6-24 April 2020. Data obtained was translated into English for analysis by IOM staff. In line with IOM's Data Protection Principles, the names of the recruitment agencies and their representatives participating in this survey are kept confidential.

The material presented in this report represents an important snapshot of issues and challenges encountered by recruitment agencies, and by extension migrant workers in international supply chains, during COVID-19. However, the findings should be seen in light of some possible limitations:

- Due to the qualitative method employed and the small sample size, findings presented in this report cannot be generalized to all international recruitment agencies in the region (for more details on the sample size, please see 'Overview of Participating Recruitment Agencies, page 8).
- Findings related to challenges experienced by migrant workers are based entirely on information from recruitment agencies and associations, without triangulation of information with migrant workers or other stakeholders. The channels available for gathering information about migrant workers varied significantly among agencies<sup>7</sup>, with some limited in reach, scope, and accuracy. This impacted the quantity and quality of information pertaining to challenges experienced by migrant workers.

<sup>&</sup>lt;sup>6</sup> International Labour Organization global estimates on international migrant workers, 2017: https://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS\_652106/lang--en/index.htm

<sup>&</sup>lt;sup>7</sup> For example, through diaspora community engagement, social media, and/or official recruitment agency feedback channels.

- Due to interviews being conducted remotely and time constraints, the study was unable to cover certain topics of interest in depth, particularly pertaining to reimbursement of recruitment fees and related costs to migrant workers impacted by COVID-19. These issues warrant further study.
- The survey captured a snapshot of COVID-19 impacts on the recruitment of international migrant workers at the time of data collection (6-24 April 2020) only. This paves the way for further research in light of the fast-changing pandemic and subsequent impacts.

#### **OVERVIEW OF PARTICIPATING RECRUITMENT AGENCIES**

COUNTRY OF ORIGIN COUNTRY OF DESTINATION

NEPAL

1 recruiter + 1 association

TAIWAN PROVINCE OF THE PEOPLE'S REPUBLIC OF CHINA

MYANMAR

LAO FDR

HONG KONG SAR, CHINA

3 recruiters

PHILIPPINES

4 recruiters + 1 association

VIET NAM

3 recruiters

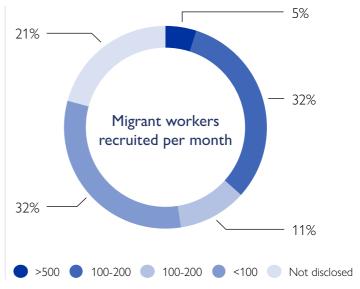




19 RECRUITMENT + 3 RECRUITMENT ASSOCIATIONS

The monthly average of migrant workers recruited twelve months before the pandemic ranged from 10 to 700

Five recruitment agencies did not disclose information.



### **SECTION 2. KEY FINDINGS**

The key findings of this report are divided into four inter-related parts: 1) pandemic-induced challenges faced by recruitment agencies, 2) by migrant workers, 3) recruitment agencies' responses to the challenges, and 4) an analysis of gaps and barriers impeding the protection of migrant workers.

Each part builds a more complete picture of the pandemic's impacts on international recruitment and the acute vulnerabilities of migrant workers as reported in April 2020.

#### CHALLENGES EXPERIENCED BY RECRUITMENT AGENCIES

All 22 respondents reported experiencing unprecedented challenges due to COVID-19 disruptions. Common challenges across the respondents include:

Delays or postponement of recruitment and deployment processes Cancellation and decline in job orders from employers

Increasing financial burden on the recruitment agencies

It is important to note that certain context and country-specific differences in challenges facing recruitment agencies in countries of origin and destination were also noted in the survey.

#### Delays or postponement of recruitment and deployment processes

All agencies reported that daily recruitment operations were frozen during the pandemic due to quarantine and physical distancing policies, border closures, international travel restrictions or bans resulting in the suspension of departures and arrivals of migrant workers. Consequently, recruitment agencies were unable to maintain normal business functions, such as handling workers' visa issuance and contracting processes, organizing pre-departure orientation and obtaining medical clearances.

In the **Philippines** and **Viet Nam**, recruiters reported that quarantine and physical distancing measures had caused a temporary closure or delays to all non-essential services and businesses, leaving migrant workers' visa applications, health examinations and medical clearance, pre-departure orientation and other government-related activities and services currently suspended. In **Nepal**, the government had

ceased issuing labour permits to migrant workers for foreign employment until further notice.

In countries of destination, such as **Thailand**, agencies have also been impacted. The Government of Thailand's announcement, which ceased approval of applications from Thai employers to recruit migrant workers until further notice and temporary closed borders to Cambodia, Lao People's Democratic Republic and Myanmar, have dramatically reduced agencies' ability to recruit workers from abroad.

In **Hong Kong SAR**, **China**, consulates have temporarily suspended visa and contract processing services, leading to a drastic decrease in new business for recruitment agencies, despite authorities not prohibiting migrant domestic workers with valid work visas to enter and work in the special administrative region during the pandemic.

#### Cancellation and decline in job orders from employers

A significant decline in production orders in international supply chains, particularly in manufacturing, has translated into less demand for migrant workers. This trend was underlined by recruitment agencies in **Nepal** and **Thailand** that reported job orders in countries of destination had reduced, with many employers cancelling or postponing recruitment of migrant workers until the situation improves.

However, another recruitment agency reported that demand for migrant workers in some specific sectors had increased during the pandemic outbreak, including for the production of rubber gloves in Malaysia, the healthcare sector in Gulf Cooperation Council (GCC) states and for canned product manufacturers in Thailand. Despite no significant drop in demand for migrant domestic workers in **Hong Kong SAR**, **China**, recruitment agencies noted that some employers preferred to "wait and see" due to risks of contracting the virus from workers in common living environments.

#### Increasing financial burden on the recruitment agencies

In addition to drops in revenue due to delays or postponements in the recruitment process, recruitment agencies reported increased costs incurred from provision of support to stranded or returned migrant workers. This has compounded financial pressures on recruitment agencies in countries of origin and destination at a time when business revenue has declined.

For instance, recruitment agencies in the **Philippines** are required by their government, in response to the pandemic, to cover returning migrant workers' food, accommodation and transportation costs en route to home provinces<sup>8</sup> and even if stranded in the capital Manila and unable to either return home or depart to countries of destination.<sup>9</sup>

Recruiters must cover such costs until travel bans or quarantine measures are lifted.

In **Hong Kong SAR**, **China**, recruitment agencies accredited by the consulates of Indonesia and the Philippines are required to provide shelter, food and support the overall well-being of migrant domestic worker nationals regardless of whether they changed employers during the one-month visa extension period imposed during the pandemic.<sup>10</sup> Furthermore, recruitment agencies in **Bangladesh** and **Nepal** reported the cancellation of flights and non-refundable tickets had further intensified their financial burdens.

<sup>&</sup>lt;sup>8</sup> POEA Memorandum Circular No.09, Series of 2020: http://www.poea.gov.ph/memorandumcirculars/2020/MC-09-2020.pdf

<sup>9</sup> POEA Memorandum Circular No.08, Series of 2020: http://www.poea.gov.ph/memorandumcirculars/2020/MC-08-2020.pdf

<sup>&</sup>lt;sup>10</sup> Domestic migrant workers may apply for an extension of stay as a visitor for a maximum period of one month in Hong Kong SAR, China, if he/she is unable to return to his/her place of origin due to the pandemic: https://www.fdh.labour.gov.hk/en/news\_detail.html?fromPage=news&year=2020&n\_id=115

#### IMPACTS ON MIGRANT WORKERS

The rapid onset of the pandemic has meant wide-ranging and multi-faceted impacts on the recruitment process and migrant workers themselves in countries of origin and destination. International travel bans and restrictions, compounded by the global economic slowdown, have stranded migrant workers at various steps in the recruitment, employment and return processes. The following three impacts on migrant workers were reported by respondents:

Prospective migrant workers stuck in the recruitment process Employed migrant workers face increased job insecurity and loss of income

Migrant workers encounter barriers with return and reintegration

#### Prospective migrant workers stuck in the recruitment process

Prospective migrant workers at various stages of the recruitment process are now typically unable to complete the recruitment process. Those ready for deployment with valid visas and flight tickets issued are unable to depart for countries of destination and begin work.<sup>11</sup> As a result, many are now reportedly stranded at departure points<sup>12</sup> or in countries of destination<sup>13</sup> waiting for transportation to return home. They may incur extra costs related to accommodation or face increased risk of exposure to COVID-19.

One recruitment agency in **Thailand** reported that increased recruitment-related costs charged to migrant workers were expected due to additional disease-screening measures, quarantine requirements and that prospective migrant workers risk becoming infected during travel.

Even with the breakdown in the migration process, recruitment fees and related costs have been and continue to be charged to migrant workers. A respondent in **Cambodia** revealed that recruitment agencies were aware migrant workers awaiting departure had already incurred debt, but these migrants were powerless to repay until deployments were possible. Only one recruitment agency, from **Bangladesh**, addressed reimbursement with the

qualification it would only be possible if it received soft loan packages from the government and migrant workers' requests. Notwithstanding the scope for further examination, the issue of reimbursements to migrant workers during the pandemic could not be covered in-depth by this report (Methodology section, page 7).

One recruitment agency in **Bangladesh** reported that 15 of its migrant workers had deployed and were in a quarantine camp in the country of destination, yet had neither started employment nor been paid. Although these workers received food and shelter, the camp was congested with heightened risks of COVID-19 transmission. To avoid risks of being stranded, two Thai recruitment agencies shared that some migrant workers had received employment contracts in **Thailand** but chose not to proceed and returned to countries of origin while the border was still open.

Despite their investment in the recruitment process, prospective migrant workers risk losing intended employment. As shared by recruitment agencies, some employment contracts were cancelled by employers and even when the situation improves, changes in job orders already placed by employers may still occur.

<sup>&</sup>lt;sup>11</sup> For example, according to NAFEA, 5,000-7,000 prospective Nepali migrant workers due for deployment prior to lockdown in March 2020 were unable to migrate. Furthermore, as per Government of Nepal statistics, approximately 100,000 labour permits were issued to prospective and returnee migrants prior to the lockdown, most of whom are now unable to migrate.

<sup>&</sup>lt;sup>12</sup> The case of the Philippines

<sup>&</sup>lt;sup>13</sup> The case of migrant workers from Cambodia, Lao People's Democratic Republic and Myanmar who travelled to Thai borders for document processing.

#### Migrant workers face increased job insecurity and loss of income

Challenges encountered by employed migrant workers varied, including wage-related issues such as non-payment of salaries, "no work, no pay" arrangements and sudden lay-offs or retrenchments due to business shutdowns or underperformance.<sup>14</sup> Additionally, as overtime pay typically account for a significant portion of earnings migrant workers expect abroad, the unavailability of overtime work due to the pandemic reduced their income.

According to one agency in **Thailand**, migrant workers were not consulted nor given a choice whether to accept new employment conditions, including a reduction in working hours in accordance with a government-mandated curfew in response to COVID-19. According to another agency in **Thailand**, approximately 1,500 migrant workers

had their working hours reduced due to a reduction in employers' business orders. Some workers changed positions within the company or accepted new jobs with new employers due to factory closures. Generally, migrant workers lacked adequate knowledge on how to access unemployment and other social benefits with most information platforms primarily in Thai language. In several situations, they were persuaded or forced to resign and forgo compensation or other legal rights (instead of contracts terminated prematurely by employers). Psychological well-being is an identified challenge for many migrant workers, due to the stress and anxiety associated with economic uncertainty along with fear of infection.

#### Migrant workers encounter barriers with return and reintegration

Travel and border restrictions present a variety of obstacles for migrants to navigate when returning to countries of origin. To underscore the potential scale of the problem, the **Bangladesh Association of International Recruiting Agencies (BAIRA)** highlighted the many Bangladeshi migrant workers sent back by employers, waiting in deportation camps for the Government of Bangladesh to facilitate their return. Heightened COVID-19 infection risks in camps is a concern for returnees. In addition, BAIRA and the government of Bangladesh, at the time of reporting, were hesitant to accept these returnees as they were perceived to significantly worsen the country's already rising unemployment.

For workers able to return, some face long waiting periods for government-assisted repatriation flights and to comply with quarantine measures at ports of entry before arrival home. Social stigma against returned migrant workers is also a concern, especially when returning to home communities after passing through and quarantining in COVID-19 high-risk areas.

Domestic and international travel restrictions and lockdowns posed significant challenges for returnees who were often advised to stay in destinations rather than traveling home, according to an agency in **Nepal**. <sup>16</sup> Some migrant workers may be at risk of falling into irregular status due to expired visas while waiting for flights home, a recruitment agency in **Viet Nam** reported.

Some domestic migrant workers in **Hong Kong SAR**, **China** with contracts and visas about to expire but who were unable to return, attempted to transfer to new employers through recruitment agencies at the destination to seek relief from reported high living costs. The agencies were, however, reluctant to accept walk-in applications from migrant workers due to health-related concerns.

Migrants from neighbouring countries working and now stranded in **Thailand** includes for example those who have

<sup>14</sup> Especially in GCC States

<sup>15</sup> Permitted under Thai law if the new employer is willing to pay financial compensation to the previous employer

<sup>&</sup>lt;sup>16</sup> As per a Nepal Government guideline, no Nepali nationals could enter the country via air or land borders, including transits via India, from 20 March 2020 to 12 April 2020. In case of emergency, the Nepal Government asked Nepali migrant workers to contact respective embassies/diplomatic missions at destination countries. From 24–31 March 2020, Nepal was in complete lockdown with no flights nor domestic movement of people.

not registered through official channels to change their legal status.<sup>17</sup> Migrant workers were also reported to pay a "high rate" for the facilitation of returns, but were still unsuccessful in some cases. Some workers left jobs, forgoing investments

made to secure positions, to return to countries of origin due to border closures and COVID-19 infection fears following a government order.

#### RESPONSES BY RECRUITMENT AGENCIES

Confronted by a breakdown in the migration process, with each stage having different impacts on the well-being and income of migrant workers as well as the international recruitment operating and business environment, recruitment agencies have attempted to mitigate such challenges through several means, as explored in this section of the report.

#### Coping with business challenges

The unprecedented challenges posed by COVID-19 and wide-ranging containment measures have exposed the recruitment industry contingency planning as weak or largely non-existent. **The Philippine Association of Service Exporters Inc.** reported this shortcoming had resulted in most agencies suspending operations while waiting for community quarantines and travel bans (domestic and international) to be lifted. Agencies have also been forced to adapt and change the way they operate, with staff working remotely and employer engagement, sourcing, recruitment, and worker monitoring still ongoing. Paying staff salaries and other administrative costs was reportedly manageable, yet a challenge. However, one agency reported staff pay cuts and another was exploring new sources of staff income.

For recruitment agencies with additional non-labour supply operations, COVID-19-induced economic losses were reportedly offset by other revenue streams.<sup>19</sup> An agency in the **Philippines** that specializes in healthcare sector deployments, was cognizant it was well placed to recover from the crisis as demand for migrant workers remained high.

**BAIRA**, on behalf of its members, was negotiating with the Government of Bangladesh to access soft loan packages to continue operations and cover staff salaries. The **Nepal Association of Foreign Employment Agencies (NAFEA)** was also engaged in dialogue with the Government of Nepal for the release of deposits previously paid by recruitment agencies to shore-up businesses and facilitate repatriation of migrant workers.

#### Mitigating adverse impacts on migrant workers

Recruitment agencies were found to have taken a variety of largely country-specific steps to mitigate adverse impacts on migrant workers, with some important examples of good practice.

This was seen in some agencies' approaches in countries of destination to support employed migrant workers and employers in several ways. One agency in **Thailand** sent translators to Thai employers to inform migrant workers on pandemic developments, prevention measures and relevant

laws and regulations on entitlements and access to social security funds. Moreover, it supported employers to translate relevant information into migrant workers' language(s) for dissemination and explained the employers' situation and policies regarding reduced working hours to migrant workers. Another agency in Thailand, upon receiving complaints from partner recruitment agencies in countries of origin, assisted workers to reach resolutions through negotiating rights and entitlements on their behalf.

<sup>&</sup>lt;sup>17</sup> Irregular migrant workers in Thailand can change their legal status by registering through legal channels established under memorandums of understanding between Thailand and countries of origin

<sup>&</sup>lt;sup>18</sup> The case of the Philippines and Viet Nam

<sup>&</sup>lt;sup>19</sup> The case of Bangladesh and Viet Nam

In the **Philippines**, some recruitment agencies reportedly used existing communication channels such as hotlines, social media and online administrative systems to track the status of migrant workers and capture issues and grievances.<sup>20</sup>

Elsewhere in the region, a **Bangladesh-based** recruitment agency with deployed workers engaged employers to gain updates on possible start dates. Agencies in **Cambodia** 

reported they regularly delivered COVID-19 updates on social media, yet relied on host government action to assist migrant workers in countries of destination. An agency in **Viet Nam** with workers stranded with expired visas engaged its business partner and the Department of Labour in Taiwan Province of the People's Republic of China to address the problem, while one in **Hong Kong SAR**, **China** provided masks and hand sanitizer to workers.

#### **GOOD PRACTICES**

Engaging with employers and other business partners in countries of destination to:

- Keep updates on deployed migrant workers who have not started their employment
- Disseminate relevant information to employed migrant workers, using communication materials in migrant workers' languages or via translators
- Assist employed migrant workers to negotiate with employers on their rights and entitlements
- Assist stranded migrant workers in countries of destinations with expired visas
- Provide masks and hand sanitizers to migrant workers

Using different channels to communicate with migrant workers such as:

- Delivering COVID-19 updates on social media
- Using hotlines, social media, online administrative systems to track migrant workers status, capture issues and grievances

#### The role of recruitment associations

Recruitment associations have also played a role in addressing migrant workers' challenges. **BAIRA** is working on a list to determine how many Bangladeshi migrant workers reside abroad. Some 300 private recruitment agencies out of more than 1,600 members of BAIRA responded. BAIRA is also advocating the Ministry of Expatriates' Welfare and Overseas Employment to develop mechanisms to better support returned migrant workers with enhanced skills to reintegrate into the economy. Currently, the Government of Bangladesh as part of its pandemic-related response, provides a 5,000 Bangladeshi Taka (USD 60) one-off payment to each returnee migrant worker, which does not allow for meaningful integration.

In Nepal, **NAFEA** reported it used social media, hotlines and coordinators in destination countries to connect with migrant workers to understand their challenges. To date, it has received more than 56,000 complaints and feedback on problems encountered by migrant workers in destination countries through its members and networks. Most feedback received concerned food and accommodation, lack of access to health services, remedial or legal counseling, job-related and returnee issues. Mental and psychological problems experienced by migrant workers due to fears of lost employment and migration status, separation from families and support networks or inadequate living conditions were also reported.

<sup>&</sup>lt;sup>20</sup> New pandemic-focused government policies require recruitment agencies to assist migrant workers' returns through coordinating with key State offices, the Philippine Overseas Labor Office and Overseas Workers Welfare Administration. This support encompasses migrant workers' repatriation, capturing grievance reports and providing remediation, arranging accommodation and food for workers during mandatory 14-day quarantines and transport to return home.

At the same time, NAFEA stated it was in regular communication with the Government of Nepal advising on different issues, such as the forecast influx of migrant workers from major destination countries once travel restrictions were lifted and the Ministry of Labour, Employment and Social Security on plans to receive them. In addition, NAFEA is supporting the latter ministry to update business partners and employers on the status of Nepali migrant workers in countries of destination. As a member of the National Disaster Management Committee, NAFEA submits daily situational reports on migrant workers in

destination countries that are further shared with a high-level task force committee, ministers and the Prime Minister's Office. NAFEA reported it encouraged members to negotiate with business partners and employers for better protection of migrant workers' rights and current welfare needs. Specifically, the first priority was to retain workers and provide accommodation, even if on unpaid leave or from factories temporarily shut. Another priority was ensuring migrant workers were treated equally with local ones with respect to access to health services as well as food and accommodation.

#### GAPS IN PROTECTION OF MIGRANT WORKERS

Building on the challenges and responses outlined earlier in the report, this section identified key gaps and barriers impeding the recruitment industry's protection of migrant workers in terms of COVID-19 responses.

#### Recruitment agencies are not adequately prepared for a protected global crisis

In general, recruitment agencies do not have adequate emergency response plans and strategies, including funding and resources, to support their business and migrant workers, especially for prolonged periods. COVID-19induced economic and operational stress, coupled with recruitment agencies' limited resources and coping capacities during the crisis, have limited the assistance provided to migrant workers. Specific COVID-19 support from recruitment agencies to jobseekers and migrant workers was limited and mostly centered on legal obligations. In addition, some government policies and regulations outline migrant worker protections without further guidance on how to maintain support during indefinite quarantine measures and economic downturns. This may prove unsustainable in the absence of private sector financing schemes and may increase migrant worker risks in the long term, especially given governments' reliance on recruitment agencies as intermediaries for communication and monitoring. Business closures of recruitment agencies may result in losses of support services for migrant workers, such as communication and information channels, human and in-kind resources during the pandemic. Thus, migrant workers would lose a vital reference point for support and mechanisms to resolve workplace issues, file and remediate grievances and

coordinate actions when electing to return to countries of origin.

Recruitment agencies were found to lack robust management systems to build resilience against the crisis. Only a few agencies alluded to their systems withstanding the pandemic-driven stresses, with the majority found to be out-dated and outmoded to manage a crisis of COVID-19's complexity. Agencies without robust management systems and policies have been left to create ad hoc solutions during the pandemic amidst tight timelines and fast-changing circumstances.

Some recruitment agencies in countries of origin identified weak communication lines with migrant workers, business partners and employers in destinations. The resulting inability to directly reach migrant workers left many agencies to heavily rely on information shared by business partners and diaspora communities in destination countries. Meanwhile, the capacity of labour recruiters across the region to communicate with business partners was found to vary greatly. This also impeded their ability to accurately determine the status of migrant workers and address grievances.

The absence of formalized communication mechanisms between recruitment agencies and migrant workers as well as business partners risk compounding deficiencies in migrant worker protection spotlighted in this report. These gaps may

be bridged or exacerbated by the involvement of countries of destination labour recruiters in the labour supply chain, particularly in countries and situations where they do not disclose information on end-user employers.<sup>21</sup>

#### Challenges with remediation of labour rights in countries of destination

Providing remediation of human and labour rights violations of migrant workers during the pandemic (arrival incountries of destination, employment, contract termination, repatriation and return) was challenging for recruitment agencies. Examples of potential labour rights violations and exploitation of migrant workers observed by agencies participating in this study included reduced work hours and

wages, forced retention of workers, changed contract terms without workers' consent, termination of employment and compelling workers to resign or abscond from their employer or return to countries of origin. However, weak communication and skewed power balances with employers impeded recruitment agencies from remediating these issues.

# Limited pandemic-focused government support of recruitment agencies to protect migrant workers in countries of destination and origin

Government support and guidance for recruitment agencies in countries of origin to assist migrant workers impacted by COVID-19 was limited, especially protection abroad and during return. Guidance sought by agencies in countries of origin centred on support for workers, either able to stay or stranded in countries of destination, with assisted returns and reintegration. While countries such as Bangladesh, Nepal and the Philippines currently relay or extend such support to respective diasporas through embassies and online channels, not all respondent recruitment agencies reported evidence of this best practice. When not in direct contact with migrant workers themselves, country of origin governments were reliant on recruitment agencies to provide and/or coordinate support to diasporas. A lack of guidance results in uncertainty for recruitment agencies, blunting their capacity to better support migrant workers through the pandemic. This erodes the safeguarding of migrant workers and leads to

increased vulnerability to accepting sub-standard or out-of-contract employment conditions and COVID-19 health risks.

Limited collaboration was evident between governments (in countries of destination and origin), private sector and civil society to develop inclusive and pro-active COVID-19 policies, align messaging and assistance to migrant workers, coordinate complex logistical challenges (repatriation and returns), and maintain health protocols (quarantines, social distancing, medical assistance). Recruitment agencies in Bangladesh, Cambodia, Nepal and the Philippines reported the international recruitment industry was unilaterally unable to provide sufficient resources and information needed to address all problems faced by migrant workers during the pandemic. Gaps in protection continue to exist due to insufficient coordination and matching of capacities and needs of stakeholders, while a degree of frustration remains with the continued use of ad hoc solutions without consultation between key stakeholders.

<sup>&</sup>lt;sup>21</sup> As reported by a Vietnamese recruitment agency deploying workers to Taiwan Province of the People's Republic of China.

### SECTION 3. CONCLUSION & RECOMMENDATIONS

The COVID-19 pandemic has shaken the global economy. Like other sectors, international recruitment and its agencies have encountered unexpected and unprecedented challenges within this highly uncertain business environment. While keeping businesses operational, recruitment agencies also have a responsibility to protect migrant workers regardless of their stage in the migration cycle. This report's findings have shown that some recruitment agencies are able to cope with the pandemic through on-going engagement with migrant workers, maintaining dialogue with governments, adopting remote work modalities, facilitating the mobility of workers, addressing grievances and constant monitoring of the fast-changing pandemic situation.

Through capturing the experiences and insights of recruitment agencies in the Asia region, this survey also discovered key challenges faced by migrant workers at various steps of their migration journey: prospective migrant workers unable to complete recruitment processes and travel to countries of destination, COVID-19 restrictions preventing employment upon arrival in the country, while even those in employment face job and wage insecurity and changes in employment conditions along with difficulties returning to countries of origin. Their plight could be compounded by higher recruitment fees and costs due to additional health checks, quarantine requirements and living costs associated with being stranded in countries of destination or origin.

For migrant workers either prospective, already working in destinations or returning, the indebtedness associated with paid recruitment fees and costs could leave them vulnerable to a circle of poverty and exploitation.

Furthermore, the analysis of gaps and barriers impeding the protection of migrant workers indicated that the majority of surveyed recruitment agencies had no contingency plan nor specific COVID-19 guidance or policies in place to respond to the health emergency. Recruitment agencies were caught ill-prepared for crisis management and did not receive adequate financial assistance from governments in some cases. Communication between recruitment agencies in countries of origin and business partners, including employers in countries of destination, is not streamlined and lacks formalized channels.

Multi-stakeholder and international collaboration to address migrant worker protection issues has been limited during COVID-19 but is vital to safeguard their labour and human rights. Recruitment agencies cannot unilaterally solve all challenges involved in monitoring and safeguarding the rights of migrant workers, especially during a pandemic where all businesses and governments have operational challenges and resource constraints. Several recruitment agencies reported the need for governments, employers and civil society to work synergistically with them to guarantee protections for migrant workers and manage COVID-19 impacts on their lives.

#### **RECOMMENDATIONS**

All stakeholders in recruitment including governments, employers and recruiters are expected to fulfill their roles and responsibilities to protect, respect and remedy human rights in international supply chain, in peace times as well as during the pandemic.<sup>22</sup>

#### **Employers and recruiters**

For employers and recruiters, the report emphasizes IOM's existing recommendations for enhanced migrant worker protection during COVID-19 provided through the two following guidance documents:

# IOM Guidance for labour recruiters to enhance migrant worker protection during the current health crisis

The health, wellbeing and safety of jobseekers and migrant workers shall be a priority for labour recruiters during the COVID-19 health crisis. Labour recruiters must exercise their duty of care to respect human rights and meet the basic needs of migrant workers, especially women workers and disadvantaged groups.

# IOM Guidance for employers and business to enhance migrant worker protection during the current health crisis

All workers should be treated with equality, dignity and respect, irrespective of their gender and migration status. The health, well-being and safety of all employees, including migrant workers, shall always be a priority for employers, in particular during the COVID-19 health crisis. Businesses must exercise their duty of care to respect human rights and meet the basic needs of all employees, especially those related to health.

#### **Governments**

For governments, the below recommendations are based on the analysis of gaps in protection of migrant workers during the COVID-19 pandemic, good practices shared by recruitment agencies participating in this survey and recommendations from recruitment agencies themselves:

- a. DEFINE clearly legal responsibilities of recruitment agencies during and after the crisis in communication, returns, reintegration, and upskilling. Monitor recruitment agencies in meeting their legal responsibilities to care for migrant workers.
- COVENE COVID-19 multi-stakeholder feedback sessions to learn of good practices, challenges and opportunities in protection of migrant workers.
- MAINTAIN updated statistics on migrant workers and returnees to accord appropriate protections and support services.
- d. **DEVELOP AND IMPLEMENT** reintegration plans to accommodate mass returns and repatriations during COVID-19 in alignment with the UN framework for the immediate socio-economic response to COVID-19
- e. EVALUATE recruitment industry best practices for migrant worker protection and post pandemic monitoring for potential adoption in recruitment regulations.
- f. **PREPARE** a long-term action plan to implement a revised framework for labour migration governance after borders reopen and travel bans lift. Bilateral agreements are important to establish clear labour migration and recruitment processes during and after crises.

<sup>&</sup>lt;sup>22</sup> United Nations Guiding Principles on Business and Human Rights

## **ANNEXES**

#### INTERVIEW GUIDE

#### Rapid Assessment of Impacts of COVID-19 on the Recruitment of International Migrant Workers

This survey is designed to collect information to better understand the impacts of the COVID-19 pandemic on recruitment agencies and migrant workers. The findings will inform IOM of their future programming to assist recruitment agencies and migrant workers before, during and after health epidemics.

Names of the recruitment agencies and interviewees participating in this survey will be kept anonymous in IOM's synthesized survey report.

Note: the survey questions serve as guiding questions only and are in no strict order. Additional questions to get more in-depth information are welcome.

### **SURVEY QUESTIONS**

Company name, country	
Company's main markets	
Average number of workers deployed per month/ year (all destinations)	
Name and position of interviewee	
Date of interview	

- 1) How have Covid-19 and related governments' policies impacted on the company's business (positively and negatively)?
- 2) How has the company coped with it and what is their contingency plan for upcoming months?
- 3) Has the company known any issues or challenges with their migrant workers and how?
- 4) What are the issues or challenges with their migrant workers, particularly in relation to those who
  - a. have signed a contract or completed the recruitment process but have not yet been deployed,
  - b. were already deployed but have not started their contract yet (e.g. under quarantine),
  - c. are currently working (e.g. loss of income and other benefits, risk of infection),
  - d. having issues with their contracts,
  - e. having issues with their returns (e.g. stranded due to shortage of flights),
  - f. have issues with their visas (e.g. they are expiring, are terminated by authorities, etc.).
- 5) How has the company dealt with the challenges with their migrant workers?
- 6) What could have allowed the company to do better (including cooperation and collaboration with a) employers, b) business partners in CoDs, c) business partners in CoO, d) governments, e? migrant workers themselves, or f) any other stakeholders)?
- 7) In general, what role do you think recruitment companies could further play to protect migrant workers before, during and after a health epidemic like Covid-19? What are the key factors enabling recruitment agencies to do so?





#### **ABOUT IOM**

Established in 1951, IOM is the leading inter-governmental organization in the field of migration and works closely with governmental, intergovernmental and non-governmental partners. With 172 member states, a further 8 states holding observer status and offices in over 100 countries, IOM is dedicated to promoting humane and orderly migration for the benefit of all. It does so by providing services and advice to governments and migrants.

IOM works to help ensure the orderly and humane management of migration, to promote international cooperation on migration issues, to assist in the search for practical solutions to migration problems and to provide humanitarian assistance to migrants in need, including refugees and internally displaced people. The IOM Constitution recognizes the link between migration and economic, social and cultural development, as well as to the right of freedom of movement. (Read more about IOM at www.iom.int)

#### **ABOUT CREST**

CREST is a regional partnership initiative that aims to realize the potential of business to uphold the human and labour rights of migrant workers in their operations and supply chain. IOM CREST is represented across the Asia-Pacific region with locally based IOM teams who are available to respond to any enquiries and support the initiation of partnerships.

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